

### **REMARKS**

In the present Amendment, Claims 41-49 are added, and, thus, Claims 1-9, 26-32 and 40-49 are currently pending in the application. Claims 10-25 and 33-39 were previously cancelled.

#### **New Claims**

New independent Claim 41 defines a method of automatically evaluating a financial account applicant for a financial institution. The method comprises the acts of electronically determining if credit data is available for the applicant, electronically determining if debit data is available for the applicant, electronically accessing account information for the applicant, if only credit data is available for the applicant, using a first mathematical process to calculate a score based on the credit data and the account information, if credit data and debit data are available, using a second mathematical process to calculate a score based on the credit data, the debit data and the account information, and determining whether to open the financial account based on the score.

The prior art of record does not teach or suggest the subject matter of newly added Claim 41. Specifically, among other things, Walker and Basch do not mention the use of debit data in financial account decisioning processes and utilizing different algorithms depending on the type of data that exists for the applicant. Accordingly, independent Claim 41 is allowable.

Claims 42-49 depend from independent Claim 41 and are allowable for at least the reasons Claim 41 is allowable.

#### **Claim Rejections – 35 U.S.C. § 103**

The Examiner rejected Claims 1-9, 26-32 and 40 under 35 U.S.C. § 103 as being unpatentable over U.S. Patent No. 6,088,686 ("Walker") in view of U.S. Patent No. 6,119,103 ("Basch"). Reconsideration of the rejections is respectfully requested.

Independent Claim 1 defines a computer-implemented method of automatically evaluating a financial account applicant for a financial institution. The method is defined as comprising the acts of electronically accessing credit bureau data for the applicant, electronically accessing account information for the applicant, electronically generating a score for the applicant based on the credit bureau data and the account information, and determining whether to open the financial account based on the score.

Walker discloses a system and method for on-line processing of credit applications. The system includes a financial network terminal 14, a front-end processing and communications

system 16, and an ACAPS processing system 26, which accesses various databases. Walker, col. 12, lines 36-48; FIGS. 1A-1B. A local branch representative ("LBR") 12 enters applicant data and the requested credit product. Id., col. 13, lines 5-12. The entered data is transferred to the ACAPS system 26 for on-line review and approval decision processing. Id. at lines 13-18.

The ACAPS system 26 accesses existing customer information stored in databases 18, 20, and 22 to determine a relationship code, which is used to identify price offers for the credit products. Id. at lines 19-47. The ACAPS system 26 proceeds to perform a front-end pre-screening process to identify any credit-qualified offers that the LBR 12 can present to the customer 10. Id. at lines 48-67. If the customer 10 accepts any of the offers, the credit qualified offer is converted to a request for credit, which requires on-line credit processing for final decision. Id., col. 14, lines 1-4. The ACAPS system 26 performs a fraud verification, and, if the applicant data passes, the ACAPS system 26 gathers credit bureau reports. Id. at lines 17-27. The ACAPS system 26 performs a disaster/policy screening, and, if the applicant data passes, a disaster response code (e.g., A, B, C, or D) is assigned to the application. Id. at lines 28-36; col. 7, lines 30-50; FIG. 41.

The ACAPS system 26 continues to process the application by performing a debt burden verification, and, if the applicant data passes, a debt burden response code is assigned to the application. Id. The ACAPS system 26 selects the worst response code between the disaster response code and the debt burden response code, which becomes the credit decision subcode. Id., col. 14, lines 47-49; col. 7, lines 30-50. The credit decision subcode or scoring response code is used to determine where the scoring response code falls within certain predetermined turndown cutoff ranges (e.g., Hard Approval, Investigate Reject-1, Investigate Reject-2, or Hard Reject-3) in order to assign a status code (e.g., RA-recommend approval, CA-conditional approval, CO-counter-offer approval, or RT-recommend turndown) to the application. Id., col. 14, line 47 through col. 15, line 21; FIG. 9. The status code determines whether to accept or reject the application or whether to provide a conditional approval of the application. Id.

If the applicant requests a bankcard, the ACAPS system 26 performs additional processing. Id., col. 15, lines 22-25. The applicant data and requested product information is transferred to the bankcard account fulfillment system ("AFS") 40. If the applicant data passes the AFS 40 requirements, the requested product is assigned a credit limit based on either the application credit score and applicant income or the applicant's bank relationship amount and

income. Id. at lines 39-43. The AFS 40 performs a maximum debt burden offer if the assigned credit limit is within a certain range to calculate a credit limit. Id. at lines 45-60; col. 7, lines 58-66; col. 8, lines 5-10. If the applicant 10 is not a student, a non-resident alien or self-employed, the AFS 40 assigns a bank liability balance response code (e.g., A, B, C, or D) to the application. Id., col. 15, line 61 through col. 16, line 15; col. 7, lines 30-50.

The ACAPS 26 selects the better of the liability balance response code and the credit response code as the final response code. Id., col. 16, lines 15-18; col. 7 lines 30-50. Based on the final response code, the automated review of the applicant data, and the scoring response code, the ACAPS 26 presents an automated credit offer decision. Id., col. 16, lines 19-21.

Walker does not teach or suggest, among other things, a computer-implemented method of automatically evaluating a financial account applicant for a financial institution including the act of generating a score for the applicant based on the credit bureau data and the account information. The Examiner acknowledged that "Walker does not explicitly teach the step of generating a score for the applicant based on the credit bureau data and the account information." Office action dated October 19, 2004, page 3. Walker discloses a system that assigns a first alpha response code to disaster screening data and a second response code to debt burden data. The system of Walker selects the worst response code to be the credit decision subcode. The system of Walker assigns a third alpha response code to bank liability data, and the system selects the better of the credit decision subcode and the bank liability response code as the final alpha response code. The system of Walker merely assigns independent response codes to specific data and selects the best or worst response code to be the combined response code (as in the credit decision subcode and the final response code). In other words, in the system of Walker, the specific data is considered independently of other data when assigning the response codes – the data is not combined prior to assigning a response code. Walker does not teach or suggest generating a score for credit bureau data and applicant account information. Again, the system of Walker merely assigns independent response codes to specific data and selects the best or worst response code to be the combined response code.

Basch does not cure the deficiencies of Walker. As discussed above, the Examiner acknowledged that "Walker does not explicitly teach the step of generating a score for the applicant based on the credit bureau data and the account information." Office action dated October 19, 2004, page 3. However, the Examiner contends that "Basch teaches the step of

generating a score for the applicant based on the credit bureau data and the account information (See Basch Column 5 lines 11-16, 21-29, Column 6 line 64-Column 8 line 2 and Column 9 lines 24-34). Basch considers credit bureau data (See Basch Column 7 lines 64-66) and account information (See Basch Column 7 lines 15-29) in generating a score....” Id.

Applicants disagree with the Examiner’s contention that Basch teaches or suggests the act of generating a score for the applicant based on the credit bureau data and the account information. There is no suggestion in Basch that credit bureau data is combined with other account information to generate a score. In fact, Basch teaches away from including credit bureau data because “credit bureau data typically pertains only to account data, e.g., account types, account limits, and historical payment information.” Basch, col. 2, lines 18-20. In addition, Basch states “credit bureaus do not have the ability to ascertain transaction pattern to warn account issuers of potential financial risks.” Id. at lines 33-35. According to Basch, the FRPS system is attempting to warn account issuers of potential financial risks based on current data from scoreable transactions, there is no need to consider historical data from a credit bureau to generate a financial risk score.

As pointed out by the Examiner, Basch mentions that “credit bureau data, although not public in the sense that they are freely available, may also be received.” Id., col. 7, lines 64-65. However, the generated score is not based on the credit bureau data. Basch indicates that public record data is entered into FRPS to authenticate scoreable transactions and to create a predictive model. Id. at lines 44-48. The predictive models are generated based on public records and are used to score the scoreable transactions, which are defined at column 5, lines 8-16. The following paragraph in column 5 indicates that credit bureau data cannot be included as a scoreable transaction because

[u]nlike prior art risk prediction techniques which typically employ only historical payment data for financial risk assessment purposes, the present invention advantageously takes advantage of the immediacy of scoreable transactions in assessing financial risks. Since scoreable transactions more accurately reflect the current financial risk level of a particular account and/or account holder than historical payment data, the use of scoreable transactions in assessing financial risk advantageously enables account issuers to timely receive financial risk scores based on events that impact financial risk rather than on data which are updated only monthly or per billing cycle.

Id., col. 5, lines 17-29.

To further support Applicant's argument that credit bureau cannot be included as a scoreable transaction, Basch, consistent with the recited paragraph above, states

The data kept by credit bureaus is significantly dated since data from the various account issuers is typically not updated with the credit bureaus until after the end of each billing cycle (which may be, for example, monthly or quarterly). Accordingly, the credit bureaus typically do not have accurate or adequate data pertaining to the credit performance of a particular account holder in between reporting periods. Since credit bureau scores are not based on financial transaction data, a credit bureau would not be able to, for example, warn account issuers that certain accounts an/or account holders are at risk based on the recent transactions.

Id., col. 2, lines 21-32.

For at least the reasons discussed above, Basch does not teach or suggest, among other things, the act of generating a score for the applicant based on the credit bureau data and the account information.

The Examiner has also failed to establish a *prima facie* case of obviousness. To establish a *prima facie* case of obviousness, the Examiner must provide a reason why one of ordinary skill in the art would have been led to modify a prior art reference or to combine reference teachings to arrive at the claimed invention. The requisite motivation must stem from some teaching, suggestion or inference in the prior art as a whole or from the knowledge generally available to one of ordinary skill in the art and not from Appellant's disclosure. The Examiner can only establish a *prima facie* case of obviousness by pointing out some objective teaching in the prior art references themselves that would lead one of ordinary skill in the art to combine the relevant teachings and the references.

The Examiner merely states that "it would have been obvious to one with ordinary skill in the art at the time of the current invention to include these steps to the disclosure of Walker. The combination of the disclosures takes as a whole suggests that Financial Institutions would have benefited [sic] from the early warnings about the risks associated with opening an account." Office action dated October 19, 2004, page 3.

The Examiner has not identified in the prior art a suggestion to modify the Walker system to include the FRPS system of Basch. In Walker, there is no suggestion of the use of scoreable transaction data. Because the system in Walker and the system in Basch utilize very different

processes for analyzing data, adding data from such a different system would most likely require undue experimentation to modify the process just to accommodate other data.

For these and other reasons, Walker and Basch, alone or in combination, do not teach or suggest the subject matter defined by independent Claim 1. Accordingly, independent Claim 1 is allowable.

Dependent Claims 2-8 and 40 depend from independent Claim 1 and are allowable for the same and other reasons. In addition, the additional subject matter defined by the dependent claims, such as, for example, Claim 40, provides separate bases for allowance.

Dependent Claim 40 further specifies that the score is a numerical score. Walker discloses a system that assigns alpha response codes to certain data. The system of Walker does not teach or suggest generating a numerical score.

Basch does not cure the deficiencies of Walker. Basch does not indicate that the generated score is numerical. For these and other reasons, Walker and Basch do not teach or suggest the additional subject matter defined by Claim 40.

Independent Claim 9 defines a computer-readable medium storing computer-readable instructions for evaluating a financial account applicant, the instructions directing the computer to perform the acts of accessing credit bureau data for the applicant, accessing account information for the applicant, generating a score for the applicant based on the credit bureau data and the account information, and determining whether to open the financial account based on the score.

Walker does not teach or suggest, among other things, a computer-readable medium that stores computer-readable instructions that performs the act of generating a score for the applicant based on the credit bureau data and the account information. Rather, Walker discloses a system that assigns a first alpha response code to disaster screening data and a second response code to debt burden data. The system of Walker selects the worst response code to be the credit decision subcode. The system of Walker assigns a third alpha response code to bank liability data, and the system selects the better of the credit decision subcode and the bank liability response code as the final alpha response code. The system of Walker merely assigns independent response codes to specific data and selects the best or worst response code to be the combined response code (as in the credit decision subcode and the final response code). In other words, in the system of Walker, the specific data is considered independently of other data when assigning the

response codes – the data is not combined prior to assigning a response code. Walker does not teach or suggest generating a score for credit bureau data and applicant account information. Again, the system of Walker merely assigns independent response codes to specific data and selects the best or worst response code to be the combined response code.

Basch does not cure the deficiencies of Walker. For at least the reasons discussed above, Basch does not teach or suggest, among other things, the act of generating a score based on the credit bureau data and the account information.

The Examiner has also failed to establish a *prima facie* case of obviousness. Rather than re-present the arguments set forth above with respect to this contention, for brevity's sake, Applicants refer to the discussion above for Claim 1. With respect to Claim 9, at least the same arguments apply.

For these and other reasons, Walker does not teach or suggest the subject matter defined by independent Claim 9. Accordingly, independent Claim 9 is allowable.

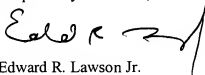
Dependent Claims 26-32 depend from independent Claim 9 and are allowable for the same and other reasons.

### CONCLUSION

In view of the foregoing, entry of the present Amendment and allowance of Claims 1-9, 26-32 and 40-49 are respectfully requested.

The undersigned is available for telephone consultation during normal business hours.

Respectfully submitted,



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